# University of California

# Higher Education Compact Performance Measures

# 2005-06

**Transmitted: January 2007**

## Introduction

The Higher Education Compact with Governor Schwarzenegger, signed in May 2004, called on the University of California to continue its efforts to achieve improved student and institutional outcomes and place a high priority on providing needed classes so that students are able to graduate in four years or less.

The Compact states:

> "The Administration places a high priority on student success as well as other mission related measures and seeks to foster greater student and institutional accountability through the inclusion of performance-based outcomes. In order to accomplish this, the Administration, in consultation with UC and CSU, will seek to remove barriers to these goals and, in later years of the compact, will work with the UC and CSU to establish measurable goals in areas needing improvement.
>
> As with the K-12 system, accountability for these outcomes should be highly visible and public. This will require that timely and reliable data be collected to provide a strong foundation for sound decision-making in these matters. Therefore, the UC and CSU each agree to provide a comprehensive single report to the Governor, Secretary of Education, the fiscal committees of the Legislature, the Legislative Analyst's Office and the Department of Finance by October of each year on the following measures that compare performance for each item for three prior years and the most recently completed academic year."

This document is the second annual report to the Governor providing the performance measures requested in the Higher Education Compact.

## Highlights

**Degrees awarded:**

- During academic year 2005-06, UC awarded 55,310 bachelor's, master's, doctoral, and first professional degrees, an increase of 13% since 2002-03.
- More than 60% of doctoral degrees were awarded in mathematics, sciences, and engineering.

**Graduation rates:**

- More UC students are completing their college education, and they are doing so at a faster pace. Among UC freshmen who were regularly admitted in 1999, 44% graduated in four years, 75% in five years, and 81% within six years. Average time to degree at UC is 12.8 quarters (where a four-year degree equals 12 quarters).
- Community college transfer students are similarly successful at UC. Nearly 92% of California Community College transfer students persist to a second year at UC and 83% graduate within four years of transferring.

**Facilitating community college transfer:**

- All UC general campuses (including recently-opened Merced) have now established articulation agreements with each of the 109 community colleges in the state, helping students navigate the process of preparing for a specific UC major and transferring to the university.
- Eight of the nine UC campuses have an average of more than 65 majors articulated with the community colleges with which they have major articulation agreements, and in addition, are developing additional agreements outside their service area.

**Faculty honors:**

- Currently, 54 faculty and researchers affiliated with UC have won Nobel Prizes, including 20 since 1995.
- A total of 57 UC faculty and researchers have won the National Medal of Science since it was established by Congress in 1959.
- UC has 244 members of the National Academy of Sciences, more than any other university in the nation; and the UC faculty includes 380 members of the American Academy of Arts and Sciences, 566 members of the American Association for the Advancement of Science, and 129 members of the Institute of Medicine.

**Technology transfer:**

- UC research contributes to the economic prosperity of California. In 2004-05, 1,304 inventions were reported by faculty and researchers at UC campuses, or an average of more than 3.5 each day. UC has received more patents than any university in the world.
- Royalty income from inventions that have been transferred to the marketplace brought $93 million to the University in 2004-05.

## I. Efficiency in Graduating Students

The Higher Education Compact requires the following performance measures in the area of efficiency in graduating students:

- Number of undergraduate degrees awarded;
- Number of graduate and professional degrees awarded, including detail on degrees awarded in fields that are high priorities for meeting state workforce needs (mathematics, engineering, computer science and other science fields);
- Persistence and graduation rates for freshmen and California Community College (CCC) transfer students;
- Average time-to-degree for undergraduates;
- Total number and percentage of graduating undergraduates who have accumulated excess units required for their degree, as determined by the segments, and the average number of excess units accumulated by these students;
- Number of undergraduates admitted as freshmen who leave in academic difficulty;
- Number of undergraduates admitted as (CCC) transfer students who leave in academic difficulty.

## A. Degrees Conferred

Consistent with the California Master Plan for Higher Education, the University provides undergraduate, professional, and graduate academic education through the doctoral degree level. The University offers instructional programs spanning more than 150 disciplines from agriculture to zoology, as well as many emerging interdisciplinary fields. The University's undergraduate, graduate, and professional schools and colleges offer bachelor's, master's, and doctoral degrees—over 800 degree programs in all. The University began awarding degrees in 1870 and since then has conferred more than one million degrees.

- During academic year 2005-06, UC awarded 55,310 bachelor's, master's, doctoral, and first professional degrees.
- The University awarded 41,640 baccalaureate degrees, which require two years of general education followed by a major in a specific academic field. Nearly one-third of bachelor's degrees were awarded in mathematics, sciences, and engineering.
- Master's degrees, typically requiring one or two years of study in a specific field, were awarded to 8,454 graduate students. These degrees include the Master of Arts, Master of Science, and Master of Fine Arts. In addition, master's degrees in professional fields such as architecture, business administration, education, nursing, public health, public policy, and social welfare, among others, represent about nearly half of degrees at this level. Approximately 31% of master's degrees were awarded in mathematics, sciences, and engineering.
- The University awarded 3,266 doctoral degrees awarded in recognition of a student's ability to advance knowledge in a given field of study, often in preparation for careers as faculty in higher education; More than 60% of doctoral degrees were awarded in mathematics, sciences, and engineering.
- Finally, the University conferred 1,950 first professional degrees to students embarking on careers in law, dentistry, medicine, optometry, pharmacy, physical therapy, and veterinary medicine.

**Table 1: University of California Bachelor's Degrees Conferred by Discipline and Year**

| Discipline | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| Agriculture and Related Sciences | 615 | 486 | 498 | 465 |
| Architecture and Related Services | 331 | 318 | 342 | 321 |
| Area, Ethnic, Cultural and Gender Studies | 686 | 739 | 824 | 845 |
| Biological and Biomedical Sciences | 4,420 | 4,521 | 4,929 | 5,318 |
| Business and Management | 2,255 | 2,342 | 2,425 | 2,426 |
| Communications and Journalism | 787 | 774 | 843 | 849 |
| Computer and Information Sciences | 1,190 | 1,277 | 1,226 | 897 |
| Conservation and Natural Resources | 495 | 474 | 470 | 482 |
| Education | 8 | 20 | 9 | 13 |
| Engineering | 2,900 | 3,027 | 3,318 | 3,405 |
| English Language and Literature | 1,830 | 1,802 | 1,725 | 1,806 |
| Family and Consumer Sciences | 429 | 425 | 398 | 354 |
| Foreign Languages, Literatures & Linguistics | 650 | 646 | 675 | 694 |
| Health Professions and Public Health | 48 | 53 | 45 | 108 |
| History | 1,204 | 1,306 | 1,373 | 1,429 |
| Legal Studies | 365 | 386 | 340 | 334 |
| Liberal Arts and Sciences | 273 | 289 | 344 | 332 |
| Mathematics and Statistics | 699 | 713 | 793 | 799 |
| Multi/Interdisciplinary Studies | 1,501 | 1,568 | 1,679 | 1,645 |
| Philosophy and Religious Studies | 379 | 443 | 465 | 477 |
| Physical Sciences | 732 | 698 | 829 | 837 |
| Psychology | 3,049 | 3,177 | 3,360 | 3,596 |
| Public Policy and Social Services | 177 | 174 | 159 | 190 |
| Social Sciences | 6,954 | 7,159 | 7,749 | 7,839 |
| Visual and Performing Arts | 2,099 | 2,202 | 2,140 | 2,205 |
| Double/Triple Majors | 3,049 | 3,560 | 3,904 | 3,974 |
| Total | 37,125 | 38,579 | 40,862 | 41,640 |

Source: UC Office of the President, Corporate Student System.

**Table 2: University of California Master's Degrees Conferred by Discipline and Year**

| Discipline | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| Agriculture and Related Sciences | 93 | 130 | 114 | 102 |
| Architecture and Related Services | 267 | 292 | 287 | 302 |
| Area, Ethnic, Cultural and Gender Studies | 114 | 116 | 108 | 108 |
| Biological and Biomedical Sciences | 223 | 263 | 251 | 328 |
| Business and Management | 1,458 | 1,546 | 1,715 | 1,697 |
| Communications and Journalism | 61 | 64 | 62 | 62 |
| Computer and Information Sciences | 346 | 428 | 434 | 427 |
| Conservation and Natural Resources | 61 | 66 | 62 | 80 |
| Education | 862 | 1,042 | 1,038 | 973 |
| Engineering | 1,017 | 1,216 | 1,315 | 1,183 |
| English Language and Literature | 124 | 112 | 125 | 125 |
| Family and Consumer Sciences | 7 | 14 | 3 | 9 |
| Foreign Languages, Literatures & Linguistics | 166 | 169 | 190 | 168 |
| Health Professions and Public Health | 699 | 722 | 726 | 695 |
| History | 71 | 105 | 132 | 126 |
| Legal Professions and Studies | 64 | 66 | 85 | 89 |
| Library Science | 49 | 55 | 77 | 78 |
| Mathematics and Statistics | 159 | 179 | 167 | 189 |
| Multi/Interdisciplinary Studies | 47 | 52 | 99 | 79 |
| Philosophy and Religious Studies | 36 | 37 | 49 | 51 |
| Physical Sciences | 229 | 354 | 377 | 319 |
| Psychology | 79 | 94 | 107 | 93 |
| Public Administration and Social Services | 279 | 304 | 295 | 271 |
| Social Sciences | 508 | 553 | 537 | 532 |
| Visual and Performing Arts | 339 | 385 | 346 | 366 |
| Double/Triple Majors | 1 | 3 | 2 | 2 |
| Total | 7,359 | 8,367 | 8,703 | 8,454 |

Source: UC Office of the President, Corporate Student System.

**Table 3: University of California Doctoral Degrees Conferred by Discipline and Year**

| Discipline | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| Agriculture and Related Sciences | 47 | 28 | 30 | 37 |
| Architecture and Related Services | 25 | 35 | 32 | 29 |
| Area, Ethnic, Cultural and Gender Studies | 15 | 25 | 9 | 29 |
| Biological and Biomedical Sciences | 539 | 545 | 513 | 548 |
| Business and Management | 31 | 26 | 32 | 32 |
| Communications and Journalism | 9 | 14 | 12 | 8 |
| Computer and Information Sciences | 100 | 102 | 127 | 178 |
| Conservation and Natural Resources | 47 | 42 | 39 | 41 |
| Education | 150 | 158 | 165 | 150 |
| Engineering | 422 | 452 | 515 | 626 |
| English Language and Literature | 81 | 96 | 92 | 75 |
| Family and Consumer Sciences | 3 | 3 | 2 | 2 |
| Foreign Languages, Literatures & Linguistics | 103 | 136 | 142 | 131 |
| Health Professions and Public Health | 63 | 74 | 84 | 76 |
| History | 91 | 95 | 90 | 90 |
| Legal Professions and Studies | 3 | 11 | 5 | 12 |
| Library Science | 5 | 5 | 3 | 1 |
| Mathematics and Statistics | 92 | 92 | 106 | 119 |
| Multi/Interdisciplinary Studies | 71 | 72 | 79 | 92 |
| Philosophy and Religious Studies | 36 | 33 | 23 | 36 |
| Physical Sciences | 352 | 339 | 397 | 429 |
| Psychology | 112 | 106 | 121 | 115 |
| Public Administration and Social Services | 10 | 9 | 12 | 16 |
| Social Sciences | 285 | 338 | 283 | 309 |
| Visual and Performing Arts | 72 | 90 | 88 | 85 |
| Total | 2,764 | 2,926 | 3,001 | 3,266 |

Source: UC Office of the President, Corporate Student System.

**Table 4: University of California First Professional Degrees Conferred by Year**

| Degree | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| Doctor of Dental Surgery | 187 | 179 | 190 | 201 |
| Doctor of Medicine | 627 | 620 | 632 | 646 |
| Doctor of Optometry | 46 | 66 | 55 | 45 |
| Doctor of Pharmacy | 114 | 115 | 120 | 123 |
| Doctor of Physical Therapy | - | - | 15 | 10 |
| Doctor of Veterinary Medicine | 122 | 115 | 124 | 123 |
| Juris Doctor | 768 | 842 | 775 | 802 |
| Total | 1,864 | 1,937 | 1,911 | 1,950 |

Source: UC Office of the President, Corporate Student System.

## B. Persistence, Graduation, and Time-to-Degree

The University remains committed to maintaining its excellent record and improving graduation rates and reducing time-to-degree among all students.

- Persistence rates—the proportion of an entering class of students who return to enroll at the University in their second and subsequent years—have shown notable gains over the past two decades. The proportion of freshmen who returned to UC in their second year increased from 88% of the 1984 cohort to 92% of the 2003 cohort. Two-year persistence increased from 76% of those entering in Fall 1984 to 84% of those entering in Fall 2002.
- Graduation rates—the proportion of an entering class of students who complete their degree within a specific time frame—have also shown significant improvement. More UC students are graduating and they are doing so at a faster pace. In 1984, 31% of entering freshmen graduated in four years, 67% in five years, and 73% in six years. Among UC freshmen who were regularly admitted in 1999, 44% graduated in four years, 75% in five years, and 81% within six years. UC's graduation rates continue to rise: among those who entered in 2001, 46% graduated in four years. UC graduation rates far exceed the national average: according to data collected by the National Center for Education Statistics (NCES), among first-time students entering four-year institutions nationwide, only 58.4% earn bachelor's degrees within six years.
- Improvements in graduation rates are also reflected in measures of time-to-degree. The number of terms enrolled has dropped from 13.4 enrolled quarters (where a four-year degree equals 12 quarters) for the 1984 regularly-admitted UC freshman class to 12.8 for the 1998 cohort (the most recent data available). Since 1988, time-to-degree among students who entered as freshmen has averaged 13 quarters.
- Students beginning their higher education at a California Community College (CCC) have historically done very well after transferring to UC. More than 90% of CCC transfer students persist to a second year at UC and 83% graduate within four years of transferring. On average, CCC transfer students take 7.4 quarters at UC to complete their degrees. (National comparison data are not available for transfer students.)

**Table 5: University of California Persistence, Graduation, and Time-to-Degree Among Regularly Admitted Freshmen**

| | Persistence Rates | | Graduation Rates | | | Time-to-Degree | |
|---|---|---|---|---|---|---|---|
| Entering Year | One Year | Two Years | Four Years | Five Years | Six Years | Enrolled Terms | Calendar Years |
| 1984 | 88.3% | 76.2% | 30.7% | 67.1% | 73.4% | 13.4 | 4.4 |
| 1985 | 89.1% | 76.7% | 32.2% | 68.0% | 72.9% | 13.4 | 4.4 |
| 1986 | 89.7% | 78.5% | 34.4% | 65.5% | 74.2% | 13.3 | 4.3 |
| 1987 | 90.4% | 80.2% | 30.1% | 66.6% | 75.3% | 13.3 | 4.3 |
| 1988 | 91.4% | 81.5% | 33.4% | 69.0% | 77.2% | 13.1 | 4.3 |
| 1989 | 91.1% | 82.6% | 35.6% | 69.3% | 76.8% | 13.0 | 4.2 |
| 1990 | 91.8% | 82.9% | 37.8% | 69.2% | 77.1% | 13.0 | 4.2 |
| 1991 | 92.2% | 83.9% | 37.8% | 69.7% | 77.5% | 13.0 | 4.2 |
| 1992 | 92.1% | 83.3% | 37.8% | 69.9% | 77.2% | 12.9 | 4.2 |
| 1993 | 91.5% | 82.6% | 36.7% | 69.2% | 77.3% | 13.0 | 4.2 |
| 1994 | 91.2% | 82.8% | 36.1% | 68.8% | 77.0% | 13.0 | 4.3 |
| 1995 | 91.2% | 82.7% | 36.8% | 69.1% | 77.3% | 13.0 | 4.2 |
| 1996 | 92.0% | 84.2% | 40.0% | 71.0% | 79.1% | 12.9 | 4.2 |
| 1997 | 92.4% | 84.4% | 40.7% | 72.2% | 79.8% | 12.9 | 4.2 |
| 1998 | 92.5% | 84.1% | 41.5% | 73.2% | 80.4% | 12.8 | 4.1 |
| 1999 | 92.4% | 84.5% | 43.7% | 74.5% | 81.2% | | |
| 2000 | 92.6% | 84.6% | 44.0% | 74.3% | | | |
| 2001 | 92.6% | 84.2% | 46.3% | | | | |
| 2002 | 92.0% | 84.3% | | | | | |
| 2003 | 92.2% | 84.4% | | | | | |
| 2004 | 92.6% | | | | | | |

Source: UC Office of the President, Corporate Student System.

**Table 6: University of California Persistence, Graduation, and Time-to-Degree Among Regularly Admitted Upper Division Community College Transfer Students**

| | Persistence Rates | Graduation Rates | | | Time-to-Degree | |
|---|---|---|---|---|---|---|
| Entering Year | One Year | Two Years | Three Years | Four Years | Enrolled Terms | Calendar Years |
| 1985 | 86.3% | 29.3% | 65.0% | 72.9% | 7.9 | 2.5 |
| 1986 | 86.5% | 29.8% | 65.7% | 74.9% | 7.9 | 2.6 |
| 1987 | 85.9% | 29.2% | 66.5% | 73.0% | 7.9 | 2.6 |
| 1988 | 87.5% | 29.6% | 61.3% | 74.5% | 7.9 | 2.5 |
| 1989 | 88.6% | 23.7% | 62.1% | 74.7% | 7.9 | 2.5 |
| 1990 | 89.4% | 25.8% | 64.3% | 76.6% | 7.7 | 2.5 |
| 1991 | 89.5% | 28.8% | 65.6% | 76.8% | 7.6 | 2.4 |
| 1992 | 91.2% | 30.8% | 68.4% | 78.7% | 7.5 | 2.4 |
| 1993 | 90.4% | 30.2% | 68.0% | 79.1% | 7.5 | 2.4 |
| 1994 | 90.5% | 29.4% | 67.2% | 77.8% | 7.6 | 2.5 |
| 1995 | 91.2% | 29.4% | 66.6% | 78.6% | 7.6 | 2.4 |
| 1996 | 90.5% | 29.8% | 67.4% | 78.7% | 7.6 | 2.4 |
| 1997 | 90.7% | 32.1% | 69.3% | 79.8% | 7.5 | 2.4 |
| 1998 | 92.0% | 34.2% | 71.7% | 82.4% | 7.4 | 2.3 |
| 1999 | 91.4% | 34.1% | 71.0% | 82.0% | | |
| 2000 | 92.2% | 34.7% | 72.4% | 82.8% | | |
| 2001 | 92.5% | 34.7% | 73.3% | 83.4% | | |
| 2002 | 91.6% | 36.1% | 74.1% | | | |
| 2003 | 91.5% | 38.3% | | | | |
| 2004 | 91.7% | | | | | |

Source: UC Office of the President, Corporate Student System.

## C. Accumulation of Excess Units

Following the Governor's 2004 proposal for an excess unit fee policy, the University began a lengthy process of evaluating various educational and operational issues involved in establishing such a policy. The University explored the size of the problem, the causes of excess unit enrollment, how an excess unit fee might be implemented fairly, and the extent to which such a fee policy might affect certain types of students disproportionately. Ultimately, because CSU opted not to establish an excess unit fee and instead to pursue strategies to improve graduation rates and time-to-degree, the University chose to do the same, particularly in view of the fact that the number of students enrolled in excess units at UC is not significant.

- About half of the regularly-admitted, UC freshmen graduate in 12 or fewer registered quarters; they are able to do this by taking full academic loads each year and by not exceeding the 180 units required for graduation. Some students, however, do take more total units—for example, students with double majors, students who change majors after having already made substantial progress and students in majors that require more units to graduate. In addition, some students take more time by taking lighter loads in some terms, often because they are working part-time. In recent years, campuses have worked to increase the average number of units taken during a term and reduce excess units taken over a student's career, enabling more students to graduate in four years and making room for other students.
- Analysis conducted by the University indicates that excess units are not a significant problem at UC. Among students who entered as freshmen, approximately 600 FTE students are enrolled, in any given year, with units completed in excess of 110% of units required for graduation. This amounts to approximately 2% of an entering freshman cohort. Among transfer students, approximately 300 FTE students are similarly enrolled in excess units, also amounting to about 2% of an entering cohort.
- The University expects that even these low rates of excess unit enrollment will decline as four-year graduation rates continue to improve and time-to-degree continues to decline for all students. All UC general campuses are committed to ensuring that undergraduate students are able to complete their degrees in four years. Accordingly, the campuses have developed advising and administrative initiatives to facilitate four-year degree completion. Campuses continue to ensure course availability by sustaining increases in faculty teaching effort, creatively managing the curriculum and its delivery (such as through expanded summer offerings and enrollment), recalling retired faculty, and making better use of instructional technology.

## D. Students Leaving in Academic Difficulty

Consistent with the exceptional persistence and graduation rates exhibited by students at the University of California, very few students leave the University in academic difficulty (defined as discontinuing enrollment without earning a degree and with a cumulative grade point average below 2.0).

- Among students admitted as freshmen, typically 3% of students leave in academic difficulty during the first year at UC. After six years, only 4.4% of freshmen who entered in 1999 had left in academic difficulty and had not returned.
- Similarly, typically 3% of students admitted as transfers from California Community Colleges leave in academic difficulty during the first year. At the end of six years, only 4.2% of CCC transfers who entered in 1999 had left in academic difficulty and had not returned.

**Table 7: University of California Entering Freshmen Who Left in Academic Difficulty**[1]

| Entering Year | Cohort | First Year | Second Year | Third Year | Fourth Year | Fifth Year | Sixth Year |
|---|---|---|---|---|---|---|---|
| Freshmen | | | | | | | |
| 1994 | 21,732 | 3.6% | 5.8% | 6.7% | 6.7% | 6.6% | 6.5% |
| 1995 | 22,464 | 3.7% | 6.0% | 6.5% | 6.5% | 6.5% | 6.4% |
| 1996 | 23,473 | 3.3% | 5.2% | 5.7% | 5.7% | 5.7% | 5.6% |
| 1997 | 24,265 | 2.9% | 4.8% | 5.3% | 5.4% | 5.4% | 5.3% |
| 1998 | 25,637 | 2.7% | 4.4% | 4.8% | 4.8% | 4.9% | 4.8% |
| 1999 | 26,836 | 2.5% | 4.1% | 4.4% | 4.3% | 4.4% | 4.4% |
| 2000 | 27,901 | 3.1% | 4.8% | 5.3% | 5.4% | 5.6% | |
| 2001 | 29,787 | 3.1% | 5.0% | 5.5% | 5.7% | | |
| 2002 | 30,768 | 3.3% | 5.1% | 5.6% | | | |
| 2003 | 31,147 | 3.3% | 5.2% | | | | |
| 2004 | 28,996 | 3.3% | | | | | |
| Transfers | | | | | | | |
| 1994 | 8,136 | 3.2% | 5.5% | 6.1% | 5.8% | 5.7% | 5.5% |
| 1995 | 8,358 | 3.2% | 5.9% | 6.1% | 6.0% | 5.8% | 5.6% |
| 1996 | 8,123 | 3.6% | 5.4% | 5.9% | 5.8% | 5.7% | 5.7% |
| 1997 | 7,838 | 3.4% | 4.9% | 5.2% | 5.0% | 4.8% | 4.7% |
| 1998 | 7,676 | 2.6% | 4.2% | 4.4% | 4.4% | 4.2% | 4.1% |
| 1999 | 7,968 | 2.4% | 4.2% | 4.7% | 4.6% | 4.4% | 4.2% |
| 2000 | 8,515 | 3.1% | 4.6% | 5.0% | 4.7% | 4.6% | |
| 2001 | 9,117 | 2.9% | 5.0% | 5.3% | 5.0% | | |
| 2002 | 9,409 | 3.1% | 5.0% | 5.1% | | | |
| 2003 | 10,141 | 3.3% | 4.9% | | | | |
| 2004 | 10,662 | 3.6% | | | | | |

[1] Students who left in academic difficulty (with a grade point average less than 2.0) at any time and had not returned as of the fall term of the academic year

Source: UC Office of the President, Corporate Student System.

## II. Utilization of Systemwide Resources

The Higher Education Compact requires the following performance measures in the area of utilization of systemwide resources:

- Student-faculty ratio;
- Instructional activities per faculty member;
- Percent of total State-funded salary and benefit expenditures dedicated to direct teaching staff;
- Rate of change in total State-funded staff salary and benefit expenditures for instructional staff, administrative staff, and other student and public service staff;
- Total State-funded expenditures and staff levels for the President's Office, together with rates of change from the previous year;
- Faculty honors and awards;
- Information on technology transfer, including progress in achieving industry-university partnerships, number of patents, total annual income generated by UC-held patents, the proportionate split of those revenues between the University and third parties, and UC's annual patent-related legal costs;
- Federal, private, and other support for research.

## A. Student–Faculty Ratio

During the State's fiscal crisis over the last several years, the University has taken a series of budget cuts in academic programs. In 2003-04, the Governor's Budget included a $34.8 million reduction in State funds targeted at increasing the University's student-faculty ratio; however, this cut was instead taken by the University as an unallocated reduction. In 2004-05, the Governor proposed a further 5% increase in the student-faculty ratio accompanied by a budget cut of $35.3 million. Again, this cut was taken as an unallocated reduction, but by necessity, these cuts mean campuses do not have adequate funds to hire sufficient numbers of faculty or to address critical instructional and other core support needs. Such budget reductions make it difficult for campuses to maintain levels of instructional support necessary to provide a high quality education.

Preserving and ultimately improving the student-faculty ratio at the University is among the highest priorities of The Regents. Improvement in student-faculty ratios would permit the University to offer both smaller class sizes in some subjects, thereby improving the quality of the educational experience, and a wider range of courses, which will help students complete requirements and graduate more quickly. A sufficient student-faculty ratio also increases opportunities for contact outside the classroom, guidance in internships and placements, and undergraduate participation in research and public service.

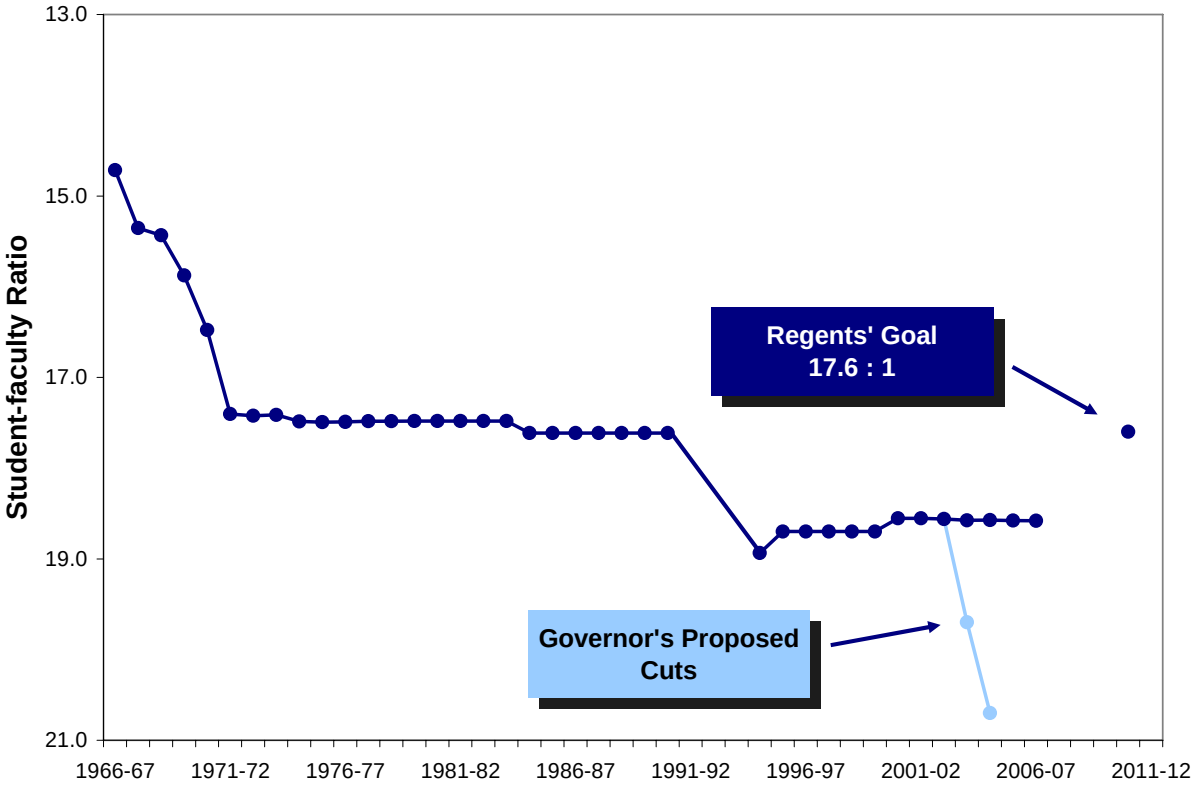
- During the late 1960s and early 1970s, State resources failed to keep pace with rapidly expanding enrollment, and as a result the University's budgeted student-faculty ratio deteriorated about 20%, from 14.7:1 to 17.6:1.
- To deal with the recession of the early 1990s, the ratio was increased once again, from 17.6:1 to 18.7:1, resulting in a 27% increase over the entire period. This represented a significant deterioration in the budgeted ratio, equivalent to 500 FTE faculty members and continuing the erosion that began in the 1960s. In 2000-01, the University received funding to improve the budgeted student-faculty to 18.6:1.
- Ultimately, it is the goal of the University to achieve a long-term student-faculty ratio of 17.6:1.
- Because enrollment growth generally outpaces faculty hiring, the University's actual student-faculty is slightly higher, around 19.6:1 during recent years.
- Currently, the University's student-faculty ratio compares unfavorably to its eight comparison institutions, which average 17.0:1 at the public institutions and 10.4:1 at the private institutions.

**Table 8: University of California General Campus Student-Faculty Ratios**

| Academic Year | Budgeted | Actual |
|---|---|---|
| 1966-67 | 14.7:1 | |
| 1970-71 | 16.5:1 | |
| 1975-76 | 17.5:1 | 17.5:1 |
| 1980-81 | 17.5:1 | 17.3:1 |
| 1985-86 | 17.6:1 | 17.3:1 |
| 1986-87 | 17.6:1 | |
| 1987-88 | 17.6:1 | |
| 1988-89 | 17.6:1 | |
| 1989-90 | 17.6:1 | 17.7:1 |
| 1990-91 | 17.6:1 | 18.0:1 |
| 1991-92[1] | | 18.7:1 |
| 1992-93[1] | | 18.6:1 |
| 1993-94[1] | | 18.4:1 |
| 1994-95 | 18.9:1 | 19.7:1 |
| 1995-96 | 18.7:1 | 19.6:1 |
| 1996-97 | 18.7:1 | 19.4:1 |
| 1997-98 | 18.7:1 | 19.3:1 |
| 1998-99 | 18.7:1 | 19.4:1 |
| 1999-00 | 18.7:1 | 19.4:1 |
| 2000-01 | 18.6:1 | 19.6:1 |
| 2001-02 | 18.6:1 | 19.6:1 |
| 2002-03 | 18.6:1 | 19.6:1 |
| 2003-04 | 18.6:1 | 19.7:1 |
| 2004-05 | 18.6:1 | 19.6:1 |
| 2005-06 | 18.6:1 | 19.4:1 |
| 2006-07 | 18.6:1 | |

[1] 1991-92 through 1993-94 were years of severe State funding cuts; there was no agreement with the State regarding budgeted enrollments and faculty.
Source: UC Office of the President, Budget Office and Corporate Personnel System.

**Display 1: University of California, Budgeted General Campus Student-Faculty Ratio**



## B. Faculty Instructional Activities

Teaching is a complex activity that involves more than in-class teaching duties. No single index can be an adequate measure of the effort invested by the faculty in teaching. Varied measures are essential.

The University of California looks at several measures when assessing the faculty's teaching activity. Among the outcomes studied, the University examines the proportion of students who graduate, average time-to-degree, and undergraduate degrees conferred per ladder faculty member per year. The University also studies the numbers of classes that UC and other universities expect will be taught by faculty members.

- As shown earlier in this report, 82% of entering UC freshmen earn a bachelor's degree within six years and earn their degree in 12.8 quarters on average.
- UC faculty members produce more undergraduate degrees per ladder-rank faculty member than those at comparison institutions. In 2003-04, the University awarded 4.4 bachelor's degrees per full-time regular rank faculty member, compared to 1.6 and 3.4 degrees per faculty member at the University's private and public comparison institutions.
- The University compares favorably with comparison institutions in the classroom teaching expectations for its faculty.

Other measures are process oriented, such as the actual numbers of classes and student credit hours taught, and actual course enrollments. The University's historical methodology separated primary classes, representing unit-bearing, regularly-scheduled course offerings, from independent study enrollment, which includes all other formal instructional activities.

- In 2004-05, 6,161 regular-rank faculty taught 30,408 primary classes, over 4 million student credit hours — an average of 4.9 primary classes, a figure that has been stable over time.
- During the same year, regular-rank faculty taught an average of 746 total student credit hours, which represents a 7% increase since 2000-01.

Because the independent study enrollments are presented separately; i.e., their values are not included in the metric "classes per regular-rank FTE," the number of classes per faculty FTE under the historical methodology misses a significant component of UC faculty effort.

In 2002, the Bureau of State Audit issued a report expressing some concerns about the faculty instructional activity reporting methodology. Over the last four years, the University has been reviewing its methodology for measuring faculty instructional effort. A forthcoming report to the Legislature will provide results of a systemwide survey for 2004-05 using a new methodology to measure faculty teaching activities in a way that reflects the special features of a research university experience for UC students and the different modes of teaching in which UC faculty are engaged. The new approach uses two traditional process measures (the number of classes taught and the total number of student credit hours), but is based on a new, Universitywide taxonomy of instructional activity types that capture the instructional goals for the students who are enrolled. The three categories in the new classification system are:

- Transmitting the Knowledge Base — Faculty provide instruction designed to transmit the knowledge base, skills, methodologies, analytical approaches, and techniques associated with a discipline or field, ranging from the basic to the advanced level;
- Initiating Intellectual Independence — Faculty develop students' abilities to pursue creative/professional/scholarly work as required by the discipline or field; and
- Emphasizing Independent Inquiry — Faculty guide, mentor, and monitor advanced students who are undertaking independent creative/professional/ scholarly work, generally as a culmination to their degree program.

The new TIE system counts all instructional activity as "classes." The historical methodology reported independent study enrollments, but did not include these enrollments as part of the calculation of faculty workload. The new TIE system addresses this gap by including all enrollments. If a student receives credit towards graduation, then the responsible faculty member receives workload credit. The result is a number of classes per FTE faculty member that is higher than the results obtained from using the old classification methodology, and more reflective of the actual workload of the faculty.

To compare the historical methodology to the new TIE system, a data subset is used consisting of all T-classes and those I-classes with an enrollment of three or more students.

- New TIE data for 2004-05 shows that 6,161 regular-rank faculty members taught 31,531 classes, averaging 5.1 classes per FTE and 674 SCH per FTE. In both measures, classes and SCH per regular-rank FTE, the new TIE data is comparable to the historical methodology, although slightly higher for both years reported, 2003-04 and 2004-05.
- Using the new methodology with instructional workload data for regular-rank faculty from 2004-05 results in calculations of 4.1 classes per FTE in the Transmitting the Knowledge Base category, 2.1 classes per FTE in the Initiating Intellectual Independence category, and 2.6 classes per FTE in the Emphasizing Independent Inquiry category. With this new calculation, the total instructional effort becomes 8.7 classes per regular-rank FTE for 2004-05.

**Table 9: University of California and Comparison Institution Degrees Awarded Per Full-time Regular Rank Faculty FTE, 2003-04**

| | Bachelor's Degrees | Master's/First Professional Degrees | Doctoral Degrees | All Degrees[1] |
|---|---|---|---|---|
| Comparison Institutions[2] | | | | |
| Four Private Universities | 1.6 | 2.5 | 0.5 | 4.4 |
| Four Public Universities | 3.4 | 2.1 | 0.3 | 5.9 |
| University of California | 4.4 | 1.2 | 0.3 | 6.0 |

[1] Total for all degrees includes some post-bachelor's certificates, post-master's certificates, and post-first professional certificates not included in other columns.
[2] Private comparison institutions are Harvard, MIT, Stanford, and Yale. Public comparison institutions are University of Illinois-Urbana-Champaign, University of Michigan-Ann Arbor, SUNY-Buffalo, and University of Virginia-Main Campus.
Source: AAUP Faculty Compensation Survey (2003-04); IPEDS Completions Survey (2003-04).

**Table 10: University Of California General Campus Regular-Rank Faculty Formal Instructional Activities (Old Classification Methodology)**

| | 2000-01 | 2002-03[5] | 2003-04 | 2004-05 |
|---|---|---|---|---|
| Regular-Rank Faculty FTE[1] | 5,419 | 5,883 | 5,983 | 6,161 |
| Formal Instructional Activities[2] | | | | |
| Primary Classes[3] | 26,497 | 28,123 | 29,44 | 30,408 |
| Independent Study Enrollment[4] | 76,080 | 68,271 | 93,960 | 90,039 |
| Total Student Credit Hours | 3,778,004 | 4,219,591 | 4,500,863 | 4,598,483 |
| Instructional Activities Per Faculty FTE | | | | |
| Primary Classes | 4.9 | 4.8 | 4.9 | 4.9 |
| Independent Study Enrollment | 14.0 | 11.6 | 15.7 | 14.6 |
| Total Student Credit Hours | 697.2 | 717.3 | 752.3 | 746.4 |

[1] Regular-rank Faculty include general campus, Instructional and Research (I&R) appointments in professorial titles except those in visiting, emeritus, and recalled titles and those on sabbatical or other approved leave.
[2] All instructional activities are reported in quarter-system equivalents. Instructional activities during the Summer period are not included.
[3] Primary Classes include only unit-bearing, regularly scheduled course offerings.
[4] Independent Study Enrollment includes all other formal instructional activities which are not regularly scheduled. Enrollments do not equal the number of students, as some students may have enrolled in more than one independent study course.
[5] Data for 2001-02 are not available.
Source: UC Office of the President and campus reports.

**Table 11: University Of California General Campus Regular-Rank Faculty Formal Instructional Activities (New TIE Classification Methodology)**

| Course Classification | Number of Classes[(a)] | Classes Per Faculty FTE | Student Credit Hours (SCH) | SCH Per Faculty FTE |
|---|---|---|---|---|
| 2003-04 | | | | |
| Historical Methodology | | | | |
| Primary Classes | 29,441 | 4.9 | 4,000,788 | 669 |
| Independent Study Enrollment | N/A | N/A | 500,075 | 84 |
| Total | 29,441 | 4.9 | 4,500,863 | 752 |
| Estimated Primary Classes from TIE | | | | |
| T-Classes | 24,469 | 4.1 | 3,838,213 | 642 |
| I-Classes (with enrollment of 3 or greater) | 6,559 | 1.1 | 228,260 | 38 |
| Total | 31,028 | 5.2 | 4,066,473 | 680 |
| New TIE Methodology | | | | |
| T-Classes: Transmitting the Knowledge Base | 24,469 | 4.1 | 3,838,213 | 642 |
| I-Classes: Initiating Intellectual Independence | 12,522 | 2.1 | 259,630 | 43 |
| E-Classes: Emphasizing Independent Inquiry | 15,077 | 2.5 | 403,013 | 67 |
| Total | 52,068 | 8.7 | 4,500,857 | 752 |
| Regular-Rank, Total FTE | 5,983 | | | |
| 2004-05 | | | | |
| Historical Methodology | | | | |
| Primary Classes | 30,408 | 4.9 | 4,094,899 | 665 |
| Independent Study Enrollment | N/A | N/A | 503,585 | 82 |
| Total | 30,408 | 4.9 | 4,598,483 | 746 |
| Estimated Primary Classes from TIE | | | | |
| T-Classes | 24,973 | 4.1 | 3,917,686 | 636 |
| I-Classes (with enrollment of 3 or greater) | 6,558 | 1.1 | 232,960 | 38 |
| Total | 31,531 | 5.1 | 4,150,647 | 674 |
| New TIE Methodology | | | | |
| T-Classes: Transmitting the Knowledge Base | 24,973 | 4.1 | 3,917,686 | 636 |
| I-Classes: Initiating Intellectual Independence | 12,735 | 2.1 | 265,967 | 43 |
| E-Classes: Emphasizing Independent Inquiry | 15,839 | 2.6 | 414,832 | 67 |
| Total | 53,548 | 8.7 | 4,598,485 | 746 |
| Regular-Rank, Total FTE | 6,161 | | | |

[1] Regular-rank Faculty include general campus, Instructional and Research (I&R) appointments in professorial titles except those in visiting, emeritus, and recalled titles and those on sabbatical or other approved leave.
Source: UC Office of the President, Academic Planning & Budget, and campus reports.

## C. Instructional and Administrative Expenditures

State funds support a broad range of functions at the University of California, foremost among them the teaching and research activities of University faculty. In addition to instruction, State funds support salaries and benefits of researchers in organized research units, administrators of academic preparation and other public service programs, librarians, staff for the operation and maintenance of the facilities, and executive managers and administrators providing institutional support.

- Teaching salaries represent the largest component of State-funded salaries and benefits of the University, totaling almost 40% of all State-funded salaries and benefits during 2005-06.
- For the first time in recent years, State-funded salaries and benefits grew during 2005-06, increasing 4.9%, 6.5% and 5.5% in instruction, administration and public service, respectively. (No State funds support salaries and benefits for staff who provide student services.) These increases follow 2004-05 decreases of 3.8%, 4.1% and 14.2% in instruction, administration and public service, respectively.
- Between 1986-87 and 2005-06, systemwide administrative expenditures have declined from 11.8% to 8.7% of total University expenditures (excluding DOE Laboratories).

The Office of the President is the systemwide headquarters of the University of California. The core administration provides institutional support and oversees UC's academic mission, systemwide budget, university affairs, and business and financial activities. The University is governed by The Regents. Officers of The Regents include the General Counsel, Treasurer, and Secretary of The Regents. Consistent with the provision related to outcome measures in the Compact, this report reflects FTE and expenditures from State General funds only and does not include FTE and expenditures supported from other funding sources.

- The State-funded expenditures and FTE employees for the Office of the President and The Regents' offices in 2005-06 were $14.2 million and 121.7 FTE employees.
- Both expenditures and the number of employees have declined the past four years.

**Table 12: University of California General Fund Salary and Benefit Expenditures Dedicated to Direct Teaching Staff[1] (in millions of dollars)**

| Expenditures | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| Salary Expenditures | | | | |
| Direct Teaching Staff | $942.9 | $966.8 | $977.2 | $1,028.3 |
| Total | $2,434.7 | $2,427.4 | $2,402.1 | $2,524.3 |
| Employee Benefit Expenditures | | | | |
| Direct Teaching Staff (Estimated) | $146.1 | $154.7 | $166.7 | $184.0 |
| Total | $436.2 | $449.0 | $475.8 | $522.2 |
| Dedicated to Direct Teaching Staff | 37.9% | 39.0% | 39.8% | 39.8% |

[1] Direct Teaching Staff includes tenure and non tenure track faculty, lecturers, academic student employees, and other miscellaneous instructional employees.
Source: UC Office of the President, Budget Office.

**Table 13: University of California State General Fund Salary and Benefit Expenditures and Rates of Change by Function (in millions of dollars)**

| Expenditures | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| Instruction | | | | |
| Salary & Benefit Expenditures | $1,207.9 | $1,097.8 | $1,056.6 | 1,108.1 |
| Percentage Change | 1.8% | -9.1% | -3.8% | 4.9% |
| Administration | | | | |
| Salary & Benefit Expenditures | $291.2 | $255.3 | $244.0 | $259.8 |
| Percentage Change | 1.6% | -12.3% | -4.4% | 6.5% |
| Student Services | | | | |
| Salary & Benefit Expenditures | $0 | $0 | $0 | $0 |
| Percentage Change | - | - | - | - |
| Public Service | | | | |
| Salary & Benefit Expenditures | $89.5 | $71.7 | $61.5 | $64.9 |
| Percentage Change | -1.0% | -20.0% | -14.2% | 5.5% |

Source: UC Office of the President, Budget Office.

**Display 2: University of California Institutional Support Expenditures as a Percentage of Total Expenditures (excluding DOE Laboratories)**

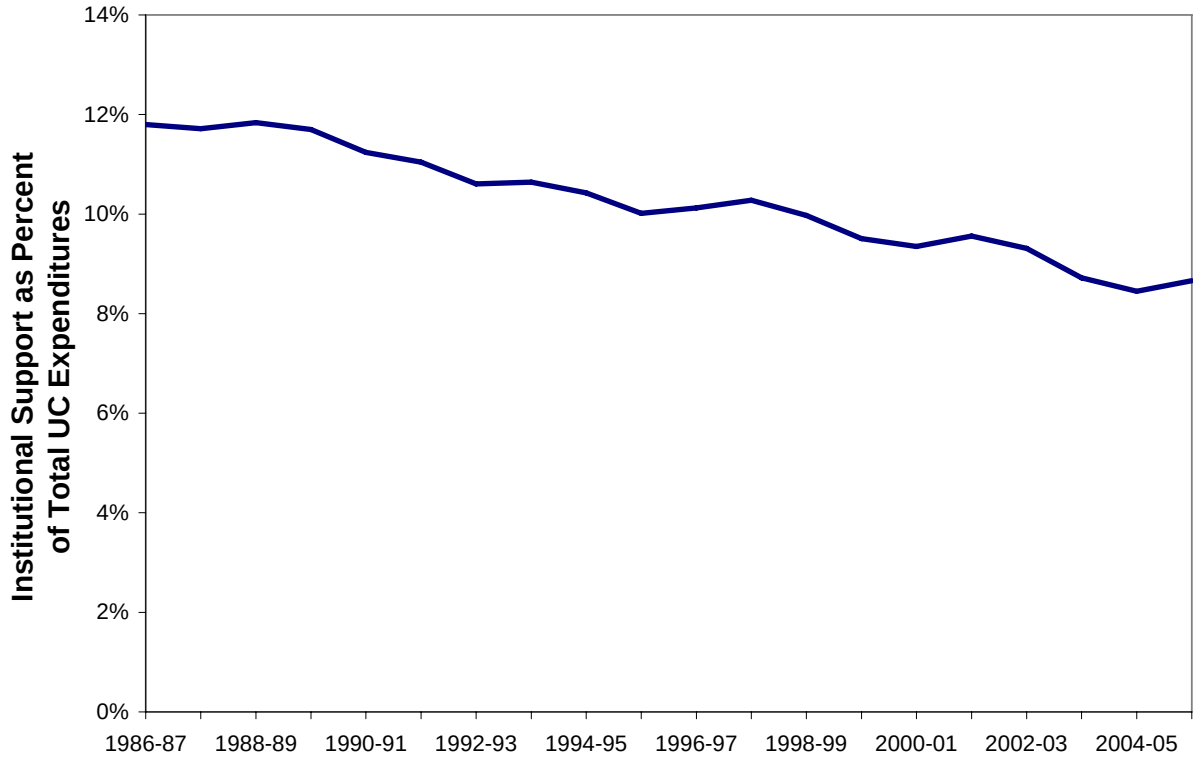



**Table 14: University of California State General Fund Expenditures and FTE Employees for the Office of the President and Offices of The Regents[1]**
**(expenditures in millions of dollars)**

| Expenditures and FTE | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| Expenditures | $18.8 | $16.7 | $14.8 | $14.2 |
| Percentage Change | -0.4% | -11.0% | -11.6% | -4.0% |
| FTE Employees | 172.5 | 149.2 | 130.6 | 121.7 |
| Percentage Change | -4.6% | -13.5% | -12.4% | -6.8% |

[1] FTE and expenditures from State General Funds only for Core Administration at the Office of the President. Does not include FTE and expenditures from other funding sources nor from academic and systemwide administered programs.
Source: UC Office of the President, Budget Office.

## D. Faculty Honors and Awards

The University has attracted a highly qualified and distinguished faculty to its classrooms and research centers. The quality of the faculty is recognized through national and international lifetime achievement awards, honorary memberships in the nation's most distinguished academic societies, and many other annual awards. Students at the University learn from by highly-decorated teachers, from Nobel Prize-winning scientists to Pulitzer Prize winning authors and journalists.

- The Nobel Prize is awarded annually for achievements in physics, chemistry, physiology or medicine, literature, economic sciences, and peace. A total of 54 faculty and researchers affiliated with the University of California have won Nobel Prizes, including 20 prizes since 1995.
- The National Medal of Science annually recognizes contributions to knowledge in the physical, biological, mathematical, engineering, social, and behavioral sciences. Since the award was established by Congress in 1959, a total of 57 UC faculty and researchers have been recipients.
- Among other honorary memberships, the faculty of the University of California includes 380 members of the American Academy of Arts and Science, 566 members of the American Association for the Advancement of Science, and 129 members of the Institute of Medicine.
- UC boasts 244 members of the National Academy of Sciences, more than any other university or college in the nation.
- Every year, UC faculty members earn a large number of prestigious fellowships, residencies, and other awards and honors. During 2005, UC faculty earned 23 Fulbright Scholarships to develop overseas experience and 9 Guggenheim Fellowships to assist research and artistic creation.
- In addition to the career achievements of more senior faculty, many of UC's newest faculty members are recognized each year with early career awards. During 2005, UC faculty earned 27 Sloan Fellowships and 20 National Science Foundation Early Career Development Program honors.

**Table 18: University of California Cumulative Faculty Recipients of National and International Awards**[1]

| Award | Recipients |
|---|---|
| Fields Medal | 7 |
| National Medal of Science | 57 |
| Nobel Prize | 54 |
| Pulitzer Prize | 11 |

[1] Includes current, emeriti, retired, former, and deceased faculty at UC campuses, the Office of the President and National Laboratories managed by UC.
Source: UC Office of the President, Academic Planning & Budget, and campus reports, as of October 2006.

**Table 16: University of California Faculty Elected to Scholarly Societies**[1]

| Membership | Recipients |
|---|---|
| American Academy of Arts and Science | 380 |
| American Association for the Advancement of Science | 566 |
| American Chemical Society | 69 |
| American Council of Learned Societies | 71 |
| American Geophysical Union | 66 |
| American Philosophical Society | 60 |
| American Physical Society | 145 |
| Institute of Medicine | 129 |
| National Academy of Education | 19 |
| National Academy of Engineering | 100 |
| National Academy of Sciences | 244 |

[1] Includes current faculty at UC campuses, the Office of the President and National Laboratories managed by UC. Does not include emeriti, retired, former, or deceased faculty.
Source: UC Office of the President, Academic Strategic Planning & Analysis, and campus reports, as of October 2006.

**Table 17: University of California Faculty Recipients of Annual Awards and Honors**[1]

| Award | 2002 | 2003 | 2004 | 2005 |
|---|---|---|---|---|
| American Academy in Rome Fellowships | 2 | 2 | 1 | |
| American School of Classical Studies in Athens Memberships | 1 | 3 | 5 | |
| Balzan Prize | | 1 | 1 | 1 |
| California Scientist of the Year | | 1 | | |
| Ford Foundation Fellowships | 1 | 3 | 1 | 2 |
| Fulbright Scholars | 21 | 26 | 20 | 23 |
| Guggenheim Fellowships | 11 | 8 | 17 | 9 |
| IEEE Fellows | 5 | 9 | 9 | 6 |
| Lasker Foundation Award | 1 | | 1 | |
| MacArthur Fellowships | 1 | 1 | 2 | 4 |
| National Endowment for the Humanities | 1 | | 1 | 3 |
| NSF Early Career Development Program | 28 | 13 | 28 | 20 |
| Packard Fellowships | 3 | 3 | 3 | 4 |
| Presidential Early Career Award for Science and Engineering | 4 | 2 | 1 | |
| Residency at the Getty Center for Arts and Humanities | 1 | 4 | 4 | |
| Residency at the Institute for Advanced Study | 1 | | 15 | |
| Residency at the National Humanities Center | 2 | 4 | 1 | 2 |
| Residency at the Woodrow Wilson Center for Scholars | 3 | | 1 | |
| Revelle Medal | 1 | | 1 | |
| Rockefeller Fellowships | 1 | 10 | 9 | 2 |
| Searle Scholars | 5 | 2 | 2 | 4 |
| Sloan Fellows | 22 | 40 | 24 | 27 |
| Vannevar Bush Award | | 1 | | |

[1] Includes current faculty as of June 30, 2006, at UC campuses, the Office of the President, and National Laboratories managed by UC. Includes awards received prior to joining UC faculty.
Source: UC Office of the President, Academic Strategic Planning & Analysis, and campus reports, as of April 2006.

## E. Technology Transfer

The University of California technology transfer program encompasses a range of activities carried on throughout the UC system to facilitate the commercialization of promising early stage technologies developed during the course of research. Increasingly, these activities are extending beyond the traditional patenting and licensing of UC inventions to the development of a variety of relationships with businesses, industry, and government that enhance the research and education missions of UC and contribute to the economic prosperity of the State of California.

- During 2004-05, a total of 1,304 inventions were disclosed by faculty and researchers at UC campuses. This represents a 9% increase when compared with the 1,196 new inventions reported in 2003-04.
- At the end of 2004-05, UC held 3,275 active U.S. patents and 3,168 active foreign patents in the systemwide portfolio. The University of California has received more patents than any other university in the world.
- Royalty and fee income in 2004-05 was $92.9 million. Compared with 2003-04, royalties and fees increased 17.2%, with many of the University's top inventions showing increases over the previous year.
- After payment of all direct and indirect program expenses, income available for distribution to inventors and the University totaled $54.8 million, a 21% increase over 2003-04.

**Table 18: University of California Systemwide Technology Transfer Activity**

| Activity | 2001-02 | 2002-03 | 2003-04 | 2004-05 |
|---|---|---|---|---|
| Invention Disclosure | | | | |
| Inventions Reported | 973 | 1,027 | 1,196 | 1,304 |
| Total Invention Portfolio | 5,472 | 5,948 | 6,618 | 7,395 |
| Patent Prosecution | | | | |
| U.S. Applications Filed | | | | |
| First Filings | 455 | 490 | 626 | 601 |
| Secondary Filings | 429 | 384 | 450 | 429 |
| Total | 884 | 874 | 965 | 1,030 |
| U.S. Patents Issued | 300 | 323 | 270 | 310 |
| Total Active U.S. Patents | 2,502 | 2,753 | 3,024 | 3,275 |
| First Foreign Filings | 248 | 230 | 243 | 284 |
| Total Active Foreign Patents | 2,051 | 2,364 | 2,837 | 3,168 |
| Financial Activity (in millions) | | | | |
| Income from Royalties and Fees | $88.1 | $67.0 | $79.3 | $92.9 |
| Payments to Joint Holders | ($6.1) | ($5.9) | ($5.0) | ($5.4) |
| Adjusted Gross Income | $82.1 | $61.2 | $74.3 | $87.5 |
| Legal and Other Direct Expenses | $25.2 | $27.9 | $28.8 | $34.4 |
| Reimbursements | ($11.8) | ($14.3) | ($13.9) | ($16.7) |
| Net Legal Expenses | $13.4 | $13.6 | $14.8 | $17.7 |
| Operating Expenses | $12.1 | $12.7 | $14.3 | $15.0 |
| Income Available for Distribution | $56.6 | $34.8 | $45.2 | $54.8 |
| Inventor Shares | $26.0 | $32.4 | $25.3 | $28.2 |
| Research Allocation | $0.4 | $0.5 | $0.4 | $0.4 |
| General Fund Share | $10.6 | $3.6 | $8.2 | $10.1 |
| Campus Share | $19.6 | ($1.7) | $11.3 | $16.0 |

Source: UC Office of the President, Office of Technology Transfer, 2005 Annual Report.

## F. Research

The California Master Plan for Higher Education designates the University as the primary State-supported academic agency for research. As one of the nation's preeminent research institutions, the University provides a unique environment in which leading scholars and promising students seek to expand fundamental knowledge of the physical world, human nature and society. Knowledge discovered in the University's research programs has yielded a multitude of benefits, ranging from technological applications that increase industrial and agricultural productivity to insights into social and personal behaviors that help improve the quality of human life. Through its public service activities, the University strives to improve the dissemination of research results and to translate scientific discoveries into practical knowledge and technological innovations that benefit the State and nation.

Research is funded from State and UC general funds and from extramural funding, including federal, State, and private contracts and grants.

- During 2005-06, research expenditures totaled $3.2 billion, an increase of $109 million, or 3.6%, over the prior year.
- Slower growth in federal research funds (2.3%) was offset by faster growth in private funds dedicated to research (9.3%).
- For 2005-06, 56% of all research expenditures were from federal funds; 22% from private gifts and grants; 9% from State and UC General Funds; 6% from Special State funds (e.g., Tobacco Related Disease Research Program funds) and State contracts and grants; 3% from endowment funds; and 4% from other sources.

**Table 19: University Of California Organized Research Expenditures by Source of Funds (in millions of dollars)**[1]

| Fund Source | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| State/UC General Funds | $319.4 | $288.7 | $283.9 | $295.2 |
| Special State Funds[2] | $189.4 | $172.4 | $176.1 | $179.1 |
| Federal Funds | $1,512.7 | $1,691.7 | $1,750.8 | $1,791.0 |
| Private Funds | $593.0 | $615.7 | $645.2 | $705.1 |
| Endowment Funds[3] | $70.4 | $79.2 | $93.6 | $94.9 |
| Other Funds[4] | $94.4 | $105.4 | $123.2 | $116.6 |
| Total | $2,779.3 | $2,953.1 | $3,072.7 | $3,181.9 |

[1] Includes capitalized expenditures.
[2] Includes State Special, State Specific, and State Agency contracts.
[3] Includes endowments, the University Opportunity fund, and other Regental funds.
[4] Includes local government contracts and grants and sales and services of educational activities.
Source: UC Office of the President, Financial Management Department,
Campus Financial Schedules, Table 12-H.

## III. Student-Level Information

The Higher Education Compact requires the following performance measures in the area of student enrollment and admission:

- Total enrollment (both headcount and FTE), by class level;
- Number of new CCC transfer students enrolled (headcount and FTE);
- Number of new freshmen enrolled (headcount and FTE);
- Number and percentage of new freshmen and CCC transfer students who were admitted by exception;
- Progress on achieving course articulation agreements with California Community Colleges;
- Number and percentage of undergraduates who did not meet the UC entry-level writing requirement for reading comprehension before entering UC.

## A. Total Enrollment

UC's undergraduate enrollment planning is based on a commitment to student access to the University under the Master Plan for Higher Education, which provides that the top 12.5% of California public high school graduates, as well as those transfer students from the California Community College campuses who have successfully completed specified college-level work, are eligible for admission to the University. Graduate and professional enrollment planning is based on assessments of state and national needs, program quality, and available financial support for students.

The University's long-term enrollment plan, last revised in 1999, called for annual enrollment growth of about 5,000 FTE over this decade. This growth was needed to provide access to higher education for Tidal Wave II (the number of California public high school graduates was projected to increase by more than 30% between 1997-98 and 2007-08) and to meet the State's need for highly skilled workers with graduate-level training. By 2010-11, UC's enrollment plan called for the University to reach a general campus target of 216,500 FTE.

- In 2005-06, the University's total enrollment exceeded 205,000 FTE students, recovering from the enrollment decline in 2003-04 following a reduction in budgeted enrollment due to the State's fiscal crisis.
- The University enrolled 180,870 general campus FTE students during the regular academic year.
- In Summer 2005, the University enrolled 11,040 FTE students in State-supported summer programs. An additional 2,015 FTE UC students were enrolled at campuses that were not yet fully-funded for summer.
- Also in 2005-06, the University enrolled 13,456 FTE students in undergraduate, graduate academic and graduate professional health sciences programs.

**Table 20: University of California Headcount Enrollment by Subcampus, Term, and Level**

| Subcampus, Term, and Level | 2002-03 | 2003-04 | 2004-05[1] | 2005-06 |
|---|---|---|---|---|
| General Campus | | | | |
| Academic Year (year-average) | | | | |
| Undergraduate | | | | |
| Lower Division | 57,058 | 57,066 | 54,632 | 54,782 |
| Upper Division | 93,276 | 96,693 | 98,529 | 99,012 |
| Subtotal | 150,334 | 153,759 | 153,161 | 153,794 |
| Postbaccalaureate | 440 | 420 | 372 | 339 |
| Graduate | 30,720 | 32,362 | 32,218 | 32,415 |
| Total Academic Year | 181,494 | 186,541 | 185,751 | 186,548 |
| Summer[2] (total) | | | | |
| Undergraduate | 36,658 | 39,143 | 37,909 | 51,315 |
| Postbaccalaureate | 189 | 200 | 189 | 130 |
| Graduate | 2,496 | 2,974 | 3,601 | 3,746 |
| Total Summer | 39,343 | 42,407 | 41,699 | 55,191 |
| Health Sciences (year-average) | | | | |
| Undergraduate | 202 | 153 | 127 | 131 |
| Graduate | | | | |
| Academic | 2,190 | 2,350 | 2,416 | 2,453 |
| Professional | 10,738 | 10,765 | 10,922 | 10,872 |
| Total Health Sciences | 13,130 | 13,268 | 13,465 | 13,456 |

[1] The State reduced the University's budgeted enrollment in 2004-05.
[2] Summer figures include State-funded enrollments only.
Source: UC Office of the President, Budget Office.

**Table 21: University of California Full-time Equivalent Enrollment by Subcampus, Term, and Level**

| Subcampus, Term, and Level | 2002-03 | 2003-04 | 2004-05[1] | 2005-06 |
|---|---|---|---|---|
| General Campus | | | | |
| Academic Year | | | | |
| Undergraduate | | | | |
| Lower Division | 55,215 | 55,236 | 53,081 | 53,012 |
| Upper Division | 89,213 | 92,495 | 94,355 | 95,901 |
| Subtotal | 144,428 | 147,731 | 147,436 | 148,913 |
| Postbaccalaureate | 435 | 418 | 371 | 338 |
| Graduate | 30,096 | 31,670 | 31,441 | 31,621 |
| Total Academic Year | 174,959 | 179,819 | 179,248 | 180,872 |
| Summer[2] | | | | |
| Undergraduate | 7,397 | 8,023 | 7,906 | 10,222 |
| Postbaccalaureate | 60 | 71 | 59 | 42 |
| Graduate | 642 | 715 | 725 | 776 |
| Total Summer | 8,099 | 8,809 | 8,690 | 11,040 |
| Total General Campus | 183,058 | 188,628 | 187,938 | 191,912 |
| Health Sciences | | | | |
| Undergraduate | 202 | 153 | 127 | 131 |
| Graduate | | | | |
| Academic | 2,190 | 2,350 | 2,416 | 2,453 |
| Professional | 10,738 | 10,765 | 10,922 | 10,872 |
| Total Health Sciences | 13,130 | 13,268 | 13,465 | 13,456 |
| Total Enrollment | 196,188 | 201,896 | 201,403 | 205,368 |

[1] The State reduced the University's budgeted enrollment in 2004-05.
[2] Summer figures include State-funded enrollments only.
Source: UC Office of the President, Budget Office.

## B. New Student Enrollment

The University is maintaining its commitment to the Master Plan for Higher Education to provide a place on one of the UC campuses for all eligible California applicants who wish to attend.

- During 2005-06, the University enrolled 33,000 new freshmen, more than 95% of whom were California residents. New freshmen primarily enroll during the fall term; typically less than 5% of new freshmen are deferred until the winter or spring terms. In 2004-05, enrollment of new freshmen declined due to a budgeted enrollment decrease; between 2002-03 and 2005-06, full-year freshman enrollment grew approximately 2%.
- Also during 2005-06, the University enrolled 14,650 new transfer students, and nearly 92% transferred from a California Community College. Since 2002-03, the number of new CCC transfers has grown 5.2%, while transfer enrollment from other institutions has declined. In recent years, 10% of new transfer students enroll during the winter and spring terms.

**Table 22: University of California Headcount Enrollment of Entering Undergraduates by Level and Term**

| Level and Term | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| **New Freshmen** | | | | |
| Fall Term | | | | |
| California Resident[1] | 29,916 | 30,349 | 27,972 | 30,083 |
| Non-resident | 1,598 | 1,517 | 1,572 | 1,381 |
| Total | 31,514 | 31,866 | 29,544 | 31,464 |
| Full-year | | | | |
| California Resident | 30,695 | 31,220 | 28,840 | 31,556 |
| Non-resident | 1,671 | 1,571 | 1,629 | 1,449 |
| Total | 32,366 | 32,791 | 30,469 | 33,005 |
| **New Transfers** | | | | |
| Fall Term | | | | |
| California Community College | 10,394 | 11,296 | 11,754 | 12,067 |
| Other | 1,446 | 1,399 | 1,055 | 1,068 |
| Total | 11,840 | 12,695 | 12,809 | 13,135 |
| Full-year | | | | |
| California Community College | 12,801 | 12,585 | 13,043 | 13,462 |
| Other | 1,676 | 1,528 | 1,184 | 1,197 |
| Total | 14,477 | 14,113 | 14,227 | 14,659 |

[1] Effective Fall 2004, international students who qualify for bona fide residency are excluded from the California resident count. These students typically represent about 125 enrolled freshmen.
Source: UC Office of the President, Corporate Student System.

## C. Admission by Exception

Through the history of the University of California, UC's eligibility and admissions policies have consistently acknowledged the value of maintaining some flexibility to admit students who do not meet the University's strict numeric eligibility requirements, but nonetheless demonstrate high potential for academic success and leadership. Because not all students have had the same opportunities to prepare for higher education, the University gives special consideration to a limited number of freshman and transfer applicants who show potential to succeed at the University even though they do not meet the minimum admission requirements. Admission by exception has been part of the University's admission policy since its inception and is formally recognized in the Master Plan, which suggests that at least 6% of the entering class need not meet regular freshman eligibility criteria. Current University policy maintains a ceiling on admission by exception of 6% of newly enrolled students, with up to 4% of enrollments reserved for students from disadvantaged circumstances, including but not limited to low-income students, first-generation college students, and those from low-performing schools.

Admission by exception provides a means to identify students who do not meet numerical requirements for eligibility but who demonstrate strong likelihood of success at UC or exceptional potential to contribute to the University or the State of California. Numerical standards for eligibility have the virtue of clarity and simplicity, but they are of necessity based on narrow criteria which do not recognize an applicant's full set of achievements, talents, or personal circumstances. Therefore, some students who do not meet the eligibility requirements are better qualified for UC than some other students who do meet the eligibility criteria. Admission by Exception enables campuses to admit students who show promise that cannot be fully assessed using narrow quantitative criteria and without consideration of the student's academic and personal context.

UC uses comprehensive review to recognize skills, talents, knowledge, and potential for success for applicants admitted by exception. However, as demand from eligible applicants has grown, campuses have admitted far fewer students by exception.

- In Fall 2005, 2.1% of new California resident freshmen and 1.8% of new California Community College transfers were admitted by exception.

**Table 23: University of California Entering Undergraduates Admitted by Exception by Level and Term**

| | 2002-03 | 2003-04 | 2004-05 | 2005-06 |
|---|---|---|---|---|
| **California Resident Freshmen**[1] | | | | |
| Fall Term | | | | |
| Total Enrolled | 29,916 | 30,349 | 27,972 | 30,083 |
| Admitted by Exception | 479 | 479 | 405 | 622 |
| Percentage of Total | 1.6% | 1.6% | 1.4% | 2.1% |
| Full-year | | | | |
| Total Enrolled | 30,695 | 31,220 | 28,840 | 31,556 |
| Admitted by Exception | 486 | 484 | 410 | 737 |
| Percentage of Total | 1.6% | 1.6% | 1.4% | 2.2% |
| **California Community College Transfers** | | | | |
| Fall Term | | | | |
| Total Enrolled | 10,324 | 11,196 | 11,754 | 12,067 |
| Admitted by Exception | 233 | 199 | 205 | 217 |
| Percentage of Total | 2.2% | 1.8% | 1.7% | 1.8% |
| Full-year | | | | |
| Total Enrolled | 12,727 | 12,585 | 13,043 | 13,462 |
| Admitted by Exception | 255 | 216 | 222 | 253 |
| Percentage of Total | 2.0% | 1.7% | 1.7% | 1.9% |

[1] Effective Fall 2004, international students who qualify for bona fide residency are excluded from the California residency count. These students typically represent about 125 enrolled freshmen.
Source: UC Office of the President, Corporate Student System.

## D. Course Articulation Agreements

Transfer students must know how the courses they take at a community college will apply toward a degree at a particular UC campus. "Course articulation" refers to agreements between educational institutions that specify for students how a course they complete at one institution (e.g., a community college) can be used to satisfy a requirement at a second institution (e.g., a UC campus). Curriculum articulation between CCC and UC campuses is the road map showing how the coursework CCC students complete at a community college satisfies UC requirements both for general education and in preparing for specific majors. Course articulation at UC falls into two categories:

- **Universitywide Articulation.** The curriculum of each California Community College is reviewed by the UC Office of the President annually to determine those courses transferable for unit credit to all campuses of the University. The resulting Transfer Course Agreements designate which courses can be transferred for credit to meet University admissions, general education, and graduation requirements. While transferable for unit credit, these courses may or may not satisfy lower division major degree requirements at a particular campus. That determination is made at the campus level.
- **Major Preparation Articulation.** Each UC campus then develops articulation agreements with each CCC campus that designate which courses at the community college are comparable to courses taught at the UC campus and, hence, will be accepted as transfer credit toward the requirements to graduate in a particular major. Articulation of courses needed for the major is critically important for students planning to transfer to UC.

Articulation agreements are made available to students via ASSIST, a web-based database of student-transfer information.

In recent years, UC has increased the breadth of articulation agreements with California Community Colleges. The Higher Education Compact with Governor Schwarzenegger calls for each UC campus to articulate all high demand majors with all 109 California Community Colleges, and the University has met that goal.

- All nine UC general campuses, including Merced, have articulation agreements with every community college in the state.
- Eight of the nine UC campuses have an average of more than 65 majors articulated with the community colleges with which they have major articulation agreements, and in addition, are developing additional agreements outside their service area. The Merced campus has 8 majors articulated on average.

**Table 24: University of California Course Articulation Agreements with California Community Colleges by Campus, 2006**

| Campus | Coverage in Campus Service Area | Number of CCCs with Agreements | Number of Majors per Agreement (average) |
|---|---|---|---|
| Berkeley | Complete | 109 | 103 |
| Davis | Complete | 109 | 130 |
| Irvine | Complete | 109 | 68 |
| Los Angeles | Complete | 109 | 123 |
| Merced | Complete | 109 | 8 |
| Riverside | Complete | 109 | 81 |
| San Diego | Complete | 109 | 129 |
| Santa Barbara | Complete | 109 | 94 |
| Santa Cruz | Complete | 109 | 68 |

Source: UC Office of the President, Student Affairs Department.

## E. Satisfaction of Entry-Level Writing Requirement

The faculty of the University of California has stipulated that students admitted as freshmen should be assessed for placement in appropriate English composition courses. The purpose of the assessment, known as the University of California Entry-Level Writing Requirement (formerly the Subject A Requirement), is to ensure that students have the writing skills necessary to succeed in UC-level courses in their first two years.

Each student who plans to enroll as a freshman directly from a California high school must take the University of California Analytical Writing Placement Exam, unless UC has received test scores that indicate the student has already satisfied the requirement.

Test results that satisfy the requirement include a score of 680 or higher on the SAT II: Writing Subject Test or a score of three or higher on either Advanced Placement (AP) examination in English. Students may also meet the requirement by earning a grade of C or better in an acceptable college course in English composition or earning a score of five or higher on the International Baccalaureate Higher Level Examination in English (Language A only).

Students who have not satisfied the Entry Level Writing Requirement prior to enrollment at the University must take and pass (with a grade of C or better) a writing course designated by their campus for satisfying the Entry Level Writing Requirement during their first year.

- In Fall 2005, 67% of entering regularly-admitted entering freshmen and 28% of freshmen admitted by exception met the University of California Entry Level Writing Requirement prior to enrollment. Virtually all of the students who fail to meet the requirement prior to enrollment at UC do so during their first year.

**Table 25: University of California Entering Freshmen by Satisfaction of the Entry-Level Writing Requirement by Admission Category**[1]

| | 2002 | 2003 | 2004 | 2005 |
|---|---|---|---|---|
| **Regularly Admitted Freshmen** | | | | |
| Total Enrolled | 29,067 | 29,584 | 27,722 | 29,443 |
| Met Requirement | 20,345 | 20,434 | 18,632 | 19,840 |
| Percentage of Total | 70.0% | 69.1% | 67.2% | 67.4% |
| Did Not Meet Requirement | 8,722 | 9,150 | 9,090 | 9,603 |
| Percentage of Total | 30.0% | 30.9% | 32.8% | 32.6% |
| **Freshmen Admitted by Exception** | | | | |
| Total Enrolled | 472 | 469 | 406 | 609 |
| Met Requirement | 120 | 128 | 106 | 170 |
| Percentage of Total | 25.4% | 27.3% | 26.1% | 27.9% |
| Did Not Meet Requirement | 352 | 341 | 300 | 439 |
| Percentage of Total | 74.6% | 72.7% | 73.9% | 72.1% |

[1] Includes Fall entrants from California high schools.
Source: UC Office of the President, Corporate Student System.

## IV. CAPITAL OUTLAY

- The UC and CSU will continue to provide five-year capital outlay plans outlining the capital priorities for each campus. The plans should include projects that provide safe and accessible learning environments for students and the faculty and staff that serve them.

The University's 2007-08 Budget for Capital Improvements is provided under separate cover. The document can also be downloaded from the University of California website at:

http://budget.ucop.edu/pubs.html.